



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

SB2399

Introduced 2/3/2016, by Sen. Iris Y. Martinez

SYNOPSIS AS INTRODUCED:

New Act

Creates the Chicago Local Government Vendor Diversity Act. Creates the Chicago Local Government Vendor Diversity Task Force to promote and encourage open access in the awarding of governmental contracts to businesses with diverse hiring practices. Sets forth the membership of the Task Force and the terms of office of its members. Provides that the Department of Central Management Services shall house, staff, and otherwise provide day-to-day support to the Task Force necessary to achieve the policy objectives and enforcement described in the Act. Requires vendors who enter into a contracts with a governmental participant on or after January 1, 2017 to file certain reports with the Department of Central Management Services. Provides that each vendor that fails to file a report is ineligible to do any business with or provide any services to any governmental participant. Effective immediately.

LRB099 17224 MLM 41582 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finance.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Chicago Local Government Vendor Diversity Act.

6 Section 5. Definitions. For the purposes of this Act:

7 "Department" means the Department of Central Management
8 Services.

9 "Governmental participant" means any political
10 subdivision, sanitary district, special district, non-home
11 rule unit of local government, pension fund, or defined
12 contribution plan located or having a principal place of
13 business in the City of Chicago, other than the City of Chicago
14 or any department, agency, or commission of the City of
15 Chicago.

16 "Minority person" means a person who is a citizen or lawful
17 permanent resident of the United States and who is any of the
18 following:

19 (1) American Indian or Alaska Native (a person having
20 origins in any of the original peoples of North and South
21 America, including Central America, and who maintains
22 tribal affiliation or community attachment).

23 (2) Asian (a person having origins in any of the

1 original peoples of the Far East, Southeast Asia, or the
2 Indian subcontinent, including, but not limited to,
3 Cambodia, China, India, Japan, Korea, Malaysia, Pakistan,
4 the Philippine Islands, Thailand, and Vietnam).

5 (3) Black or African-American (a person having origins
6 in any of the black racial groups of Africa).

7 (4) Hispanic or Latino (a person of Cuban, Mexican,
8 Puerto Rican, South or Central American, or other Spanish
9 culture or origin, regardless of race).

10 (5) Native Hawaiian or Other Pacific Islander (a person
11 having origins in any of the original peoples of Hawaii,
12 Guam, Samoa, or other Pacific Islands).

13 "Task Force" means the Chicago Local Government Vendor
14 Diversity Task Force.

15 "Vendor" means any law firm, financial advisor, municipal
16 advisor, bank, trustee, verification agent, fund manager,
17 asset manager, institutional investment manager, fund
18 consultant or underwriter that provides any professional
19 service to any governmental participant (as defined hereafter)
20 in connection with debt obligation transactions, auditing,
21 financial services, asset management services, or brokerage
22 services.

23 "Woman" means a person who is a citizen or lawful permanent
24 resident of the United States and who is of the female gender.

25 Section 10. Chicago Local Government Vendor Diversity Task

1 Force.

2 (a) There is created the Chicago Local Government Vendor
3 Diversity Task Force to promote and encourage open access in
4 the awarding of governmental contracts to businesses with
5 diverse hiring practices. The State of Illinois further
6 declares that it is the public policy of this State to promote
7 and encourage the continuous economic development of
8 businesses that hire and promote minority persons and women.
9 For this propose, the Task Force has the authority to oversee
10 all aspects of the diversity reporting initiative created by
11 this Act. The Task Force may adopt rules under the Illinois
12 Administrative Procedure Act to further administer the above
13 described policy objective.

14 (b) The Task Force shall be composed of the following
15 members serving without compensation:

16 (1) 3 members appointed by the Speaker of the House of
17 Representatives;

18 (2) 3 members appointed by the President of the Senate;
19 and

20 (3) 3 members appointed by the Governor.

21 (c) The Speaker of the House of Representatives, the
22 President of the Senate, and the Governor shall each make their
23 initial appointments to the Task Force within 45 days after the
24 effective date of this Act. The terms of office of the initial
25 members appointed shall begin on January 1, 2017. Of the
26 initial members appointed, one member appointed by each

1 appointing authority shall be appointed for a 2-year term; one
2 member appointed by each appointing authority shall be
3 appointed for a 3-year term; and one member appointed by each
4 appointing authority shall be appointed for a 4-year term.
5 Those members shall serve until their successors are appointed
6 and qualified. Thereafter, all members shall be appointed for
7 terms of 4 years and shall serve until their successors are
8 appointed and qualified. Appointments to fill vacancies shall
9 be made in the same manner as the original appointments for the
10 unexpired portion of the vacated term.

11 (d) No more than 6 members of the Task Force shall be
12 affiliated with the same political party.

13 (e) As soon as practicable after the initial members of the
14 Task Force have been appointed, they shall meet and elect a
15 chairman and a secretary. The chairman and secretary shall be
16 elected by the Task Force from among its members for terms of 2
17 years or for the remainder of their term of office as a member
18 of the Task Force, whichever is shorter. The Task Force is
19 subject to the Open Meetings Act. The Task Force shall hold
20 regular quarterly meetings and such other meetings as may be
21 called by the chairman.

22 (f) The Department shall house, staff, and otherwise
23 provide day-to-day support to the Task Force necessary to
24 achieve the policy objectives and enforcement described in this
25 Act.

26 (g) The Task Force has the power to investigate the

1 enforcement of this Act and its rules.

2 Section 15. Reporting requirements.

3 (a) The Department shall produce 2 forms requesting from
4 vendors demographic information of those professionals who
5 will participate in the performance required under the contract
6 with the governmental participant: (i) a front-end report of
7 professionals and (ii) a supplemental report of professionals.
8 Each vendor who enters into a contract with a governmental
9 participant on or after January 1, 2017 shall accurately report
10 and file with the Department of Central Management Services
11 both a front-end report upon entering into the contract and a
12 supplemental report upon completion of the contract.

13 (b) All vendors who are required to file reports under
14 subsection (a) shall, at the time of executing the contract
15 with the governmental participant, complete the front-end
16 report and submit it to the Department. The vendor shall
17 disclose to the Department those professionals who are expected
18 to participate in the performance of the contract and shall
19 provide within the front-end report the following with respect
20 to each such professional:

- 21 (1) racial, ethnic background, and gender;
22 (2) position within the company; and
23 (3) job title.

24 (c) Within 30 days after the completion of performance
25 under the contract, the vendor shall file with the Department a

1 supplemental report stating the following:

2 (1) the total time the vendor worked, per the terms of
3 the contract;

4 (2) the racial, ethnic background, and gender of each
5 professional who participated in the performance required
6 under the contract; and

7 (3) the amount of time spent by each such professional
8 to work on the performance required under the contract.

9 (d) The Department shall, by rule, provide that each vendor
10 that fails to file a report under this Section is ineligible to
11 do any business with or provide services to any governmental
12 participant and may grant extensions of the time to file a
13 report for good cause shown. The Department shall adopt rules
14 necessary to establish procedures to reinstate vendors who have
15 been declared ineligible.

16 (e) The Department shall deliver to the Task Force each
17 quarter all collected data, vendor forms, information, and
18 reports, together with a list of vendors who failed to comply.

19 (f) The Task Force shall report its findings and
20 recommendations to the Governor, the General Assembly, and the
21 City Council of the City of Chicago by December 31, 2017 and by
22 December 31 of each year thereafter through December 31, 2026.

23 Section 20. Repeal. This Act is repealed on January 1,
24 2028.

25 Section 99. Effective date. This Act takes effect upon

1 becoming law.